

# BUDGETWATCH

## September 2018 Flash Report

(Forecast figures in this report refer to the 2018 Mid-Year Forecast)

**Overall Latest Condition** (reporting on operations through August and subsidies through September):

*For reporting purposes, Agency forecasts reflect the projected cost impacts of Action Plans, which were captured in the Mid-Year Forecast as below-the-line adjustments for the LIRR, MNR and MTA Bus.*

Passenger Revenues were below the Mid-Year Forecast in August and YTD by \$7 million and \$12 million, respectively, reflecting shortfalls in subway and commuter railroad ridership; favorable bus ridership partially offset these results. Toll revenue was marginally better than the forecast in August and was \$9 million favorable YTD.

August YTD preliminary expenses were favorable, mostly reflecting a correction in reimbursable mischarges at NYCT, along with vacancies and overall favorable timing impacts across the Agencies. Debt Service costs were unfavorable by \$2.9 million for the month due to timing and bond portfolio fee payments, but were on target YTD.

Total subsidies in September were unfavorable by \$9 million, reducing the favorable YTD variance to \$7 million. However with adjustments made for timing related shortfalls for MTA Aid and the Payroll Mobility Tax (PMT), total YTD subsidies would be \$31 million favorable. MMTOA was on target for both the month and YTD. The Urban Tax was \$1.7 million unfavorable in September, slightly decreasing the YTD favorable variance to \$30 million. MRT receipts are basically on target on a monthly and YTD basis.

Overall, preliminary YTD results were favorable for the month and YTD due to favorable expense variances. Reversal of timing-related variances for expenses are expected to offset much of the favorable results, while the catch up of timing-related MTA Aid and PMT shortfalls will have a favorable impact on results. Below-forecast receipts in Passenger Revenues for Subways and the Commuter Railroads continue to be a matter of concern.

### Passenger and Toll Revenues

	YTD August 2018 (\$ in millions)				Month of August 2018 (\$ in millions)				
	Actual	Mid-Year Forecast	Diff	%Diff	Actual	Mid-Year Forecast	Diff	%Diff	
NYCT:					NYCT:				
Subway	\$2,267.7	\$2,275.6	(\$7.8)	-0.3%	Subway	\$286.6	\$291.3	(\$4.6)	-1.6%
Bus	621.9	621.7	0.2	0.0%	Bus	80.6	80.1	0.6	0.7%
Other	<u>65.4</u>	<u>64.7</u>	<u>0.7</u>	<u>1.1%</u>	Other	<u>8.3</u>	<u>8.1</u>	<u>0.3</u>	<u>3.6%</u>
NYCT	\$2,955.1	\$2,962.0	(\$6.9)	-0.2%	NYCT	\$375.6	\$379.4	(\$3.7)	-1.0%
MTA Bus	146.0	144.5	1.5	1.1%	MTA Bus	20.1	19.0	1.1	5.9%
LIRR	488.7	491.3	(2.7)	-0.5%	LIRR	63.8	66.2	(2.4)	-3.6%
MNR	<u>486.0</u>	<u>489.5</u>	<u>(3.5)</u>	<u>-0.7%</u>	MNR	<u>62.5</u>	<u>64.1</u>	<u>(1.6)</u>	<u>-2.4%</u>
<b>Sub-total</b>	<b>\$4,075.8</b>	<b>\$4,087.4</b>	<b>(\$11.5)</b>	<b>-0.3%</b>	<b>Sub-total</b>	<b>\$522.1</b>	<b>\$528.6</b>	<b>(\$6.5)</b>	<b>-1.2%</b>
B&T	<u>1,306.1</u>	<u>1,297.1</u>	<u>9.0</u>	<u>0.7%</u>	B&T	<u>179.8</u>	<u>179.5</u>	<u>0.3</u>	<u>0.2%</u>
<b>Total</b>	<b>\$5,381.9</b>	<b>\$5,384.4</b>	<b>(\$2.5)</b>	<b>0.0%</b>	<b>Total</b>	<b>\$701.9</b>	<b>\$708.1</b>	<b>(\$6.3)</b>	<b>-0.9%</b>

For the month of August, **passenger revenues** were unfavorable by \$6.5 million, or 1.2%, mostly reflecting the continuation of weaker than expected subway ridership at NYCT, and slightly lower ridership at the Commuter Railroads. Ridership on buses were notably higher than forecast. YTD results were likewise unfavorable, reflecting lower subway and Commuter Railroad ridership, partly offset by higher bus ridership. **Toll revenues** were slightly better in August, maintaining the favorable YTD variance of \$9 million resulting from higher traffic volume experienced to date.

## Total Operating Expenses before Non-Cash Liability Adjustments

YTD August 2018 (\$ in millions)					Month of August 2018 (\$ in millions)				
	Mid-Year		Diff	%Diff		Mid-Year		Diff	%Diff
	Actual	Forecast				Actual	Forecast		
NYCT	\$5,657.0	\$5,660.7	\$3.7	0.1%	NYCT	\$649.7	\$727.9	\$78.2	10.7%
MTA Bus	515.3	531.9	16.6	3.1%	MTA Bus	67.1	73.4	6.3	8.6%
LIRR	972.6	1,031.8	59.2	5.7%	LIRR	122.0	143.8	21.8	15.2%
MNR	874.2	884.5	10.3	1.2%	MNR	113.0	113.8	0.8	0.7%
B&T	310.8	332.6	21.8	6.6%	B&T	41.9	47.7	5.8	12.2%
<b>Total</b>	<b>\$8,329.9</b>	<b>\$8,441.5</b>	<b>\$111.6</b>	<b>1.3%</b>	<b>Total</b>	<b>\$993.7</b>	<b>\$1,106.6</b>	<b>\$112.9</b>	<b>10.2%</b>

Expenses for August were favorable by \$112.9 million, or 10.2%. NYCT was favorable mostly as a result of a correction in reimbursable mischarges (\$48 million) to non-reimbursable labor expense, timing of maintenance contract expenses, and lower spending in professional services, energy and fringe benefits, partly offset by higher paratransit expenses (due mainly to increased E-hail related trip activity). The LIRR was favorable primarily due to lower labor expenses driven by vacancies, the timing of materials & supplies and maintenance contract expenses, and an insurance settlement for property damages related to the New Hyde Park derailment. MTA Bus was favorable due to the timing of materials & supplies, maintenance, and professional service contract expenses. B&T was favorable mostly due to vacancies and lower E-ZPass Customer Service Center costs, while MNR was on target.

Overall, YTD preliminary expenses were \$111.6 million, or 1.3%, favorable. Favorable variances of \$59.2 million at the LIRR, \$21.8 million at B&T and \$16.6 million at MTA Bus were mostly due to the same reasons noted for the month; the YTD MTA Bus favorable variance was partially offset by higher labor costs. MNR was favorable, primarily due to timing-related variances for materials & supplies and maintenance and professional service contracts, which were partially offset by higher labor costs. NYCT was \$3.7 million favorable due mostly to the factors noted for the month as well the reversal of unfavorable timing variances from prior months.

## Overtime

YTD August 2018 (\$ in millions)					Month of August 2018 (\$ in millions)				
	Mid-Year		Diff	%Diff		Mid-Year		Diff	%Diff
	Actual	Forecast				Actual	Forecast		
NYCT	\$459.8	\$397.2	(\$62.6)	-15.8%	NYCT	\$52.1	\$49.0	(\$3.1)	-6.4%
MTA Bus	47.7	44.8	(3.0)	-6.7%	MTA Bus	6.6	5.3	(1.3)	-24.7%
LIRR	98.5	97.9	(0.5)	-0.6%	LIRR	9.2	11.0	1.8	16.0%
MNR	66.1	64.1	(2.1)	-3.2%	MNR	8.8	8.3	(0.5)	-5.8%
B&T	16.3	17.1	0.8	4.6%	B&T	2.1	2.2	0.2	8.0%
<b>Total</b>	<b>\$688.4</b>	<b>\$621.0</b>	<b>(\$67.4)</b>	<b>-10.9%</b>	<b>Total</b>	<b>\$78.8</b>	<b>\$75.8</b>	<b>(\$3.0)</b>	<b>-3.9%</b>

Preliminary overtime expenses for the month were unfavorable by \$3.0 million, or 3.9%. The overage at NYCT, which is under review, was due in part to work related to the Subway Action Plan (SAP). At MTA Bus, the unfavorable variance was chiefly due to the impact of traffic congestion and absentee coverage requirements, while at MNR, increased Reliability Centered Maintenance (RCM) work resulted in slightly higher overtime usage. Partially offsetting these results were favorable variances at the LIRR due to lower requirements for vacancy/absentee coverage and scheduled service, and at B&T due to scheduling efficiencies.

YTD preliminary overtime expenses were unfavorable by \$67.4 million or 10.9%, much of which was attributable to NYCT in support of the SAP as well as subway service delays, greater vacancy/absentee coverage, and reimbursable labor reclassifications. MTA Bus was unfavorable by 6.7% due to the same drivers as noted for the month. MNR was unfavorable by 3.2% mostly for weather-related coverage and RCM work. The LIRR was 0.6% unfavorable due to higher maintenance, unscheduled service, and weather-related coverage, partially offset by lower vacancy/absentee coverage and scheduled service requirements. B&T was 4.6% favorable due to timing and scheduling efficiencies.

## Debt Service

Debt Service for August of \$234.3 million was \$2.9 million, or 1.3%, unfavorable due to timing and adjustments to reflect payment of bond portfolio fees, while YTD Debt Service was \$1,742.0 million and on target to the forecast.

## State Dedicated Taxes and Fees

YTD September 2018 (\$ in millions)					Month of September 2018 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	% Diff		Actual	Forecast	Diff	% Diff
MMTOA	\$782.6	\$782.6	\$0.0	0.0%	MMTOA	\$147.5	\$147.5	\$0.0	0.0%
PBT	469.3	467.2	2.1	0.5%	PBT	49.8	45.7	4.1	8.9%
PMT <sup>1</sup>	1,128.6	1,138.8	(10.2)	-0.9%	PMT <sup>1</sup>	111.9	110.1	1.8	1.6%
MTA Aid <sup>2</sup>	197.6	211.5	(13.9)	-6.6%	MTA Aid <sup>2</sup>	77.6	91.5	(13.9)	-15.2%
<b>Total</b>	<b>\$2,578.1</b>	<b>\$2,600.0</b>	<b>(\$21.9)</b>	<b>-0.8%</b>	<b>Total</b>	<b>\$386.8</b>	<b>\$394.8</b>	<b>(\$8.0)</b>	<b>-2.0%</b>

MMTOA receipts were on target both for September and YTD. Petroleum Business Tax (PBT) receipts for September were \$4.1 million or 8.9% favorable, and YTD receipts remained favorable by \$2.1 million or 0.5%. Payroll Mobility Tax (PMT) collections were favorable by \$1.8 million, or 1.6%, for September; however YTD receipts were \$10.2 million (0.9%) unfavorable primarily due to timing. MTA Aid third quarter receipts were unfavorable by \$13.9 million (15.2%) and YTD receipts were unfavorable by \$13.9 million (6.6%) due primarily to the delay in transferring motor vehicle fees and auto rental tax receipts for September; these fees and tax receipts will be included with the fourth quarter payment to the MTA in December.

## Real Estate Transaction Taxes

YTD September 2018 (\$ in millions)					Month of September 2018 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	% Diff		Actual	Forecast	Diff	% Diff
MRT	\$331.6	\$332.9	(\$1.3)	-0.4%	MRT	\$40.4	\$39.6	\$0.8	1.9%
NYC Urban	498.9	468.5	\$30.4	6.5%	NYC Urban	44.6	46.3	(\$1.7)	-3.6%
<b>Total</b>	<b>\$830.6</b>	<b>\$801.4</b>	<b>\$29.2</b>	<b>3.6%</b>	<b>Total</b>	<b>\$85.0</b>	<b>\$85.9</b>	<b>(\$0.9)</b>	<b>-1.0%</b>

Total real estate transaction taxes for September were \$0.9 million (1.0%) unfavorable, resulting in a favorable YTD variance of \$29.2 million (3.6%), as favorable Urban Taxes were partially offset by lower MRT collections. Compared with last year through September, real estate taxes are \$40.9 million (5.2%) higher; Urban Tax is greater than last year's level by \$59.3 million (13.5%), while MRT is \$18.4 million (5.2%) below last year's level.

**Regional Mortgage Recording Tax<sup>3</sup>** receipts for September were \$0.8 million (1.9%) favorable; MRT-1 was unfavorable by \$0.4 million, and MRT-2 receipts were favorable by \$1.1 million. YTD MRT receipts were unfavorable by \$1.3 million (0.4%), with MRT-1 receipts \$1.4 million unfavorable and MRT-2 receipts \$0.2 million favorable.

**New York City Urban Tax<sup>4</sup>** receipts for September were \$1.7 million (3.6%) unfavorable, and YTD receipts were \$30.4 million (6.5%) favorable. September receipts for the Real Property Transfer Tax (RPTT) component were \$0.2 million (0.7%) unfavorable while receipts from the Mortgage Recording Tax (MRT) component were \$1.5 million (8.3%) unfavorable. YTD, RPTT receipts were \$27.6 million (9.0%) favorable and MRT receipts were \$2.8 million (1.7%) favorable.

<sup>1</sup> PMT replacement funds, that are expected to total \$244.3 million for the year, are excluded from the results reported in this table.

<sup>2</sup> MTA Aid includes the License Fee, Vehicle Registration Fee, Taxi Fee and Automobile Rental Fee.

<sup>3</sup> Mortgage Recording Taxes consist of two separate taxes on mortgages recorded in the twelve-county region: MRT-1 is a tax on all mortgages, while MRT-2 is also imposed on residential real estate structures containing up to six dwelling units.

<sup>4</sup> New York City Urban Taxes are imposed on commercial property and apartment building transactions within New York City. The MRT component is imposed on mortgages exceeding \$500,000, and the Real Property Transfer Tax component is imposed on transfers exceeding \$500,000.

Real Estate Transaction Taxes Receipts (\$ in millions)

Mid-Year Forecast vs. Actual Receipts

2018 Mid-Year Forecast	2018	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Sep
MRT-1	\$316.4	\$25.1	\$28.0	\$21.0	\$22.6	\$24.9	\$29.3	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$233.7
MRT-2	135.4	11.0	11.5	9.3	10.2	9.8	11.2	12.1	12.1	12.1	12.1	12.1	12.1	99.2
Total MRT	\$451.7	\$36.1	\$39.6	\$30.3	\$32.8	\$34.7	\$40.5	\$39.6	\$39.6	\$39.6	\$39.6	\$39.6	\$39.6	\$332.9
RPTT	\$393.0	\$25.6	\$30.6	\$32.0	\$46.5	\$49.4	\$36.0	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$306.6
MRT	214.4	17.4	20.8	14.5	14.7	19.3	22.8	17.5	17.5	17.5	17.5	17.5	17.5	161.9
Total Urban Tax - NYCT 90% share	\$607.4	\$43.0	\$51.4	\$46.5	\$61.2	\$68.7	\$58.8	\$46.3	\$46.3	\$46.3	\$46.3	\$46.3	\$46.3	\$468.5
Total Real Estate Taxes	\$1,059.2	\$79.1	\$90.9	\$76.8	\$94.0	\$103.5	\$99.3	\$85.9	\$85.9	\$85.9	\$85.9	\$85.9	\$85.9	\$801.4

2018 Monthly Actuals	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Sep
MRT-1	\$25.1	\$28.0	\$21.0	\$22.6	\$24.9	\$29.2	\$23.1	\$31.1	\$27.2				\$232.2
MRT-2	11.0	11.5	9.3	10.2	9.8	11.2	10.8	12.4	13.2				99.4
Total MRT	\$36.1	\$39.6	\$30.3	\$32.8	\$34.7	\$40.3	\$33.8	\$43.5	\$40.4				\$331.6
RPTT	\$25.6	\$30.6	\$32.0	\$46.5	\$49.4	\$36.0	\$30.2	\$55.2	\$28.6				\$334.2
MRT	17.4	20.8	14.5	14.7	19.3	22.8	15.9	23.3	16.0				164.8
Total Urban Tax - NYCT 90% share	\$43.0	\$51.4	\$46.5	\$61.2	\$68.7	\$58.8	\$46.2	\$78.5	\$44.6				\$498.9
Total Real Estate Taxes	\$79.1	\$90.9	\$76.8	\$94.0	\$103.5	\$99.2	\$80.0	\$122.0	\$85.0				\$830.6

Variances	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Sep
MRT-1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$4.5)	\$3.5	(\$0.4)				(\$1.4)
MRT-2	0.0	0.0	0.0	0.0	0.0	0.0	(1.3)	0.3	1.1				0.2
Total MRT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$5.8)	\$3.9	\$0.8				(\$1.3)
RPTT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.4	\$26.4	(\$0.2)				\$27.6
MRT	0.0	0.0	0.0	0.0	0.0	0.0	(1.6)	5.9	(1.5)				2.8
Total Urban Tax - NYCT 90% share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	\$32.2	(\$1.7)				\$30.4
Total Real Estate Taxes	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$5.9)	\$36.1	(\$0.9)				\$29.2

MRT-1	0.0%	0.0%	0.0%	0.0%	0.0%	-0.4%	-16.2%	12.8%	-1.4%				-0.6%
MRT-2	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	-10.8%	2.8%	9.5%				0.2%
Total MRT	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	-14.6%	9.8%	1.9%				-0.4%
RPTT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	91.5%	-0.7%				9.0%
MRT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-9.0%	33.5%	-8.3%				1.7%
Total Urban Tax - NYCT 90% share	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	69.6%	-3.6%				6.5%
Total Real Estate Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	-6.9%	42.0%	-1.0%				3.6%

Real Estate Transaction Taxes Receipts (\$ in millions)

2018 Receipts vs. 2017 Receipts

2017 Monthly Actuals	2016 Act	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	YTD Sep
MRT-1	\$321.9	\$32.6	\$26.7	\$23.0	\$25.1	\$23.5	\$28.0	\$29.0	\$25.0	\$31.4	\$24.8	\$25.9	\$26.9	\$244.3
MRT-2	139.5	12.2	11.8	10.2	11.7	10.7	11.2	12.1	11.8	14.0	11.9	11.2	10.8	105.7
Total MRT	\$461.4	\$44.8	\$38.6	\$33.1	\$36.8	\$34.2	\$39.2	\$41.2	\$36.7	\$45.4	\$36.6	\$37.0	\$37.7	\$350.0
RPTT	\$347.2	\$61.5	\$29.2	\$14.8	\$12.8	\$29.9	\$42.7	\$23.8	\$20.8	\$21.3	\$27.7	\$41.9	\$21.0	\$256.7
MRT	238.3	27.9	18.1	16.2	17.6	16.8	22.4	23.5	17.3	23.1	14.5	19.3	21.5	183.0
Total Urban Tax - NYCT 90% share	\$585.5	\$89.4	\$47.3	\$31.0	\$30.4	\$46.7	\$65.1	\$47.3	\$38.1	\$44.4	\$42.2	\$61.2	\$42.4	\$439.7
Total Real Estate Taxes	\$1,046.9	\$134.2	\$85.9	\$64.2	\$67.2	\$80.9	\$104.2	\$88.4	\$74.8	\$89.8	\$78.8	\$98.3	\$80.1	\$789.7

2018 Monthly Actuals	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Sep
MRT-1	\$25.1	\$28.0	\$21.0	\$22.6	\$24.9	\$29.2	\$23.1	\$31.1	\$27.2				\$232.2
MRT-2	11.0	11.5	9.3	10.2	9.8	11.2	10.8	12.4	13.2				99.4
Total MRT	\$36.1	\$39.6	\$30.3	\$32.8	\$34.7	\$40.3	\$33.8	\$43.5	\$40.4				\$331.6
RPTT	\$25.6	\$30.6	\$32.0	\$46.5	\$49.4	\$36.0	\$30.2	\$55.2	\$28.6				\$334.2
MRT	17.4	20.8	14.5	14.7	19.3	22.8	15.9	23.3	16.0				164.8
Total Urban Tax - NYCT 90% share	\$43.0	\$51.4	\$46.5	\$61.2	\$68.7	\$58.8	\$46.2	\$78.5	\$44.6				\$498.9
Total Real Estate Taxes	\$79.1	\$90.9	\$76.8	\$94.0	\$103.5	\$99.2	\$80.0	\$122.0	\$85.0				\$830.6

Variances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Sep
MRT-1	(\$7.5)	\$1.3	(\$1.9)	(\$2.5)	\$1.4	\$1.2	(\$5.9)	\$6.1	(\$4.2)				(\$12.1)
MRT-2	(1.2)	(0.3)	(0.9)	(1.5)	(0.9)	(0.0)	(1.4)	0.6	(0.8)				(6.3)
Total MRT	(\$8.6)	\$1.0	(\$2.8)	(\$4.0)	\$0.5	\$1.2	(\$7.3)	\$6.7	(\$5.0)				(\$18.4)
RPTT	(\$35.8)	\$1.4	\$17.2	\$33.7	\$19.5	(\$6.6)	\$6.5	\$34.4	\$7.3				\$77.5
MRT	(10.6)	2.6	(1.7)	(2.8)	2.5	0.4	(7.6)	6.0	(7.1)				(18.2)
Total Urban Tax - NYCT 90% share	(\$46.4)	\$4.0	\$15.4	\$30.9	\$22.0	(\$6.3)	(\$1.1)	\$40.4	\$0.3				\$59.3
Total Real Estate Taxes	(\$55.0)	\$5.0	\$12.6	\$26.9	\$22.5	(\$5.1)	(\$8.4)	\$47.2	(\$4.7)				\$40.9
MRT-1	-22.9%	4.9%	-8.4%	-10.1%	5.8%	4.2%	-20.4%	24.4%	-13.4%				-4.9%
MRT-2	-9.7%	-2.7%	-8.7%	-12.4%	-8.1%	0.0%	-11.5%	5.4%	-5.8%				-5.9%
Total MRT	-19.3%	2.5%	-8.5%	-10.8%	1.5%	3.0%	-17.8%	18.4%	-11.0%				-5.2%
RPTT	-58.3%	4.9%	115.9%	263.6%	65.1%	-15.6%	27.3%	165.5%	34.4%				30.2%
MRT	-37.8%	14.4%	-10.6%	-16.2%	15.1%	1.7%	-32.3%	34.8%	-30.5%				-10.0%
Total Urban Tax - NYCT 90% share	-51.9%	8.5%	49.7%	101.6%	47.1%	-9.6%	-2.3%	106.0%	0.6%				13.5%
Total Real Estate Taxes	-41.0%	5.8%	19.7%	40.0%	27.8%	-4.9%	-9.5%	63.0%	-5.3%				5.2%

# BUDGETWATCH

## Regional Economy Report

### New York City Employment

#### Sectors with Year-over-Year Employment Gains

- Construction, Mining, Natural Resources
- Trade
- Financial Activities
- Education & Health Services
- Other Services
- Transportation, Utilities
- Information
- Professional & Business Services
- Leisure & Hospitality

#### Sectors with Year-over-Year Employment Losses

- Manufacturing
- Government

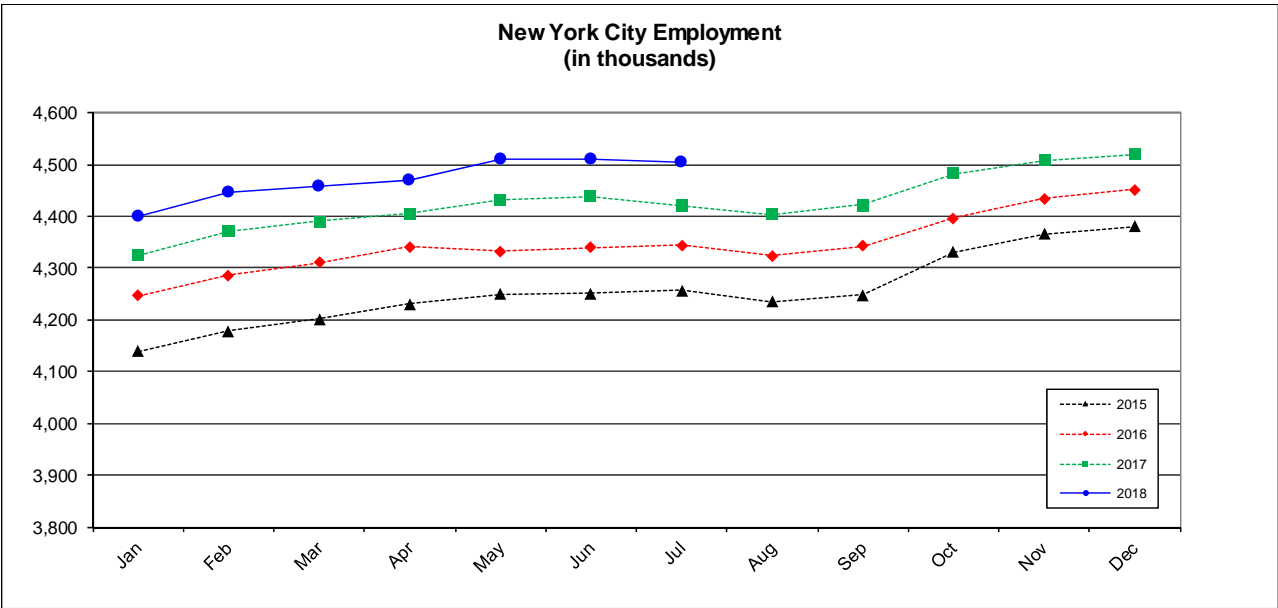
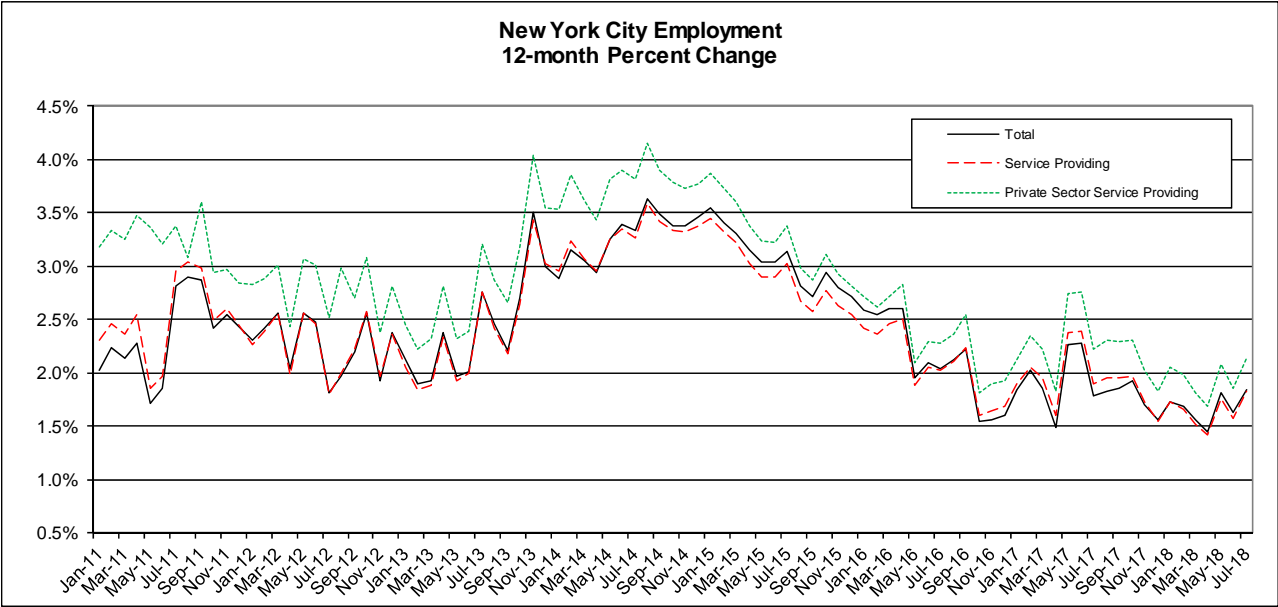
New York City Employment (in thousands)				Jul-18 versus			
	Prelim Jul-18	Revised Jun-18	Jul-17	Jun-18		Jul-17	
				Net	Pct	Net	Pct
<b>Total Employment</b>	<b>4,503.4</b>	<b>4,510.6</b>	<b>4,421.8</b>	<b>(7.2)</b>	<b>-0.2%</b>	<b>81.6</b>	<b>1.8%</b>
<b>Goods Producing</b>	<b>231.3</b>	<b>231.6</b>	<b>226.1</b>	<b>(0.3)</b>	<b>-0.1%</b>	<b>5.2</b>	<b>2.3%</b>
Construction, Mining, Nat Res	160.1	159.4	153.0	0.7	0.4%	7.1	4.6%
Manufacturing	71.2	72.2	73.1	(1.0)	-1.4%	(1.9)	-2.6%
<b>Service Providing</b>	<b>4,272.1</b>	<b>4,279.0</b>	<b>4,195.7</b>	<b>(6.9)</b>	<b>-0.2%</b>	<b>76.4</b>	<b>1.8%</b>
Transportation, Utilities	135.6	139.6	134.0	(4.0)	-2.9%	1.6	1.2%
Trade	501.8	502.3	492.5	(0.5)	-0.1%	9.3	1.9%
Information	197.8	200.1	197.7	(2.3)	-1.1%	0.1	0.1%
Financial Activities	479.3	476.6	476.3	2.7	0.6%	3.0	0.6%
Professional & Business Svcs	762.0	760.7	749.2	1.3	0.2%	12.8	1.7%
Education & Health Svcs	969.5	985.6	933.9	(16.1)	-1.6%	35.6	3.8%
Leisure & Hospitality	471.4	474.5	458.0	(3.1)	-0.7%	13.4	2.9%
Other Services	193.4	194.4	191.4	(1.0)	-0.5%	2.0	1.0%
Government	561.3	545.2	562.7	16.1	3.0%	(1.4)	-0.2%

Preliminary July 2018 employment in New York City shows a gain of 81,600 jobs (1.8%) when compared to last July's employment level. This marks the one-hundredth consecutive month in which employment has improved over its level from one year earlier. The Education & Health Services and the Leisure & Hospitality Services sectors experienced the greatest gains in the number of jobs among the major sectors, adding 35,600 and 13,400 jobs, respectively, over the past twelve months.

Employment in New York City's service-providing sectors increased by 76,400 jobs (1.8%) over the July 2017 level. Private-sector service-providing employment in New York City increased by 77,800 jobs (2.1%), the 101<sup>st</sup> consecutive month of year-to-year improvement.

# BUDGETWATCH

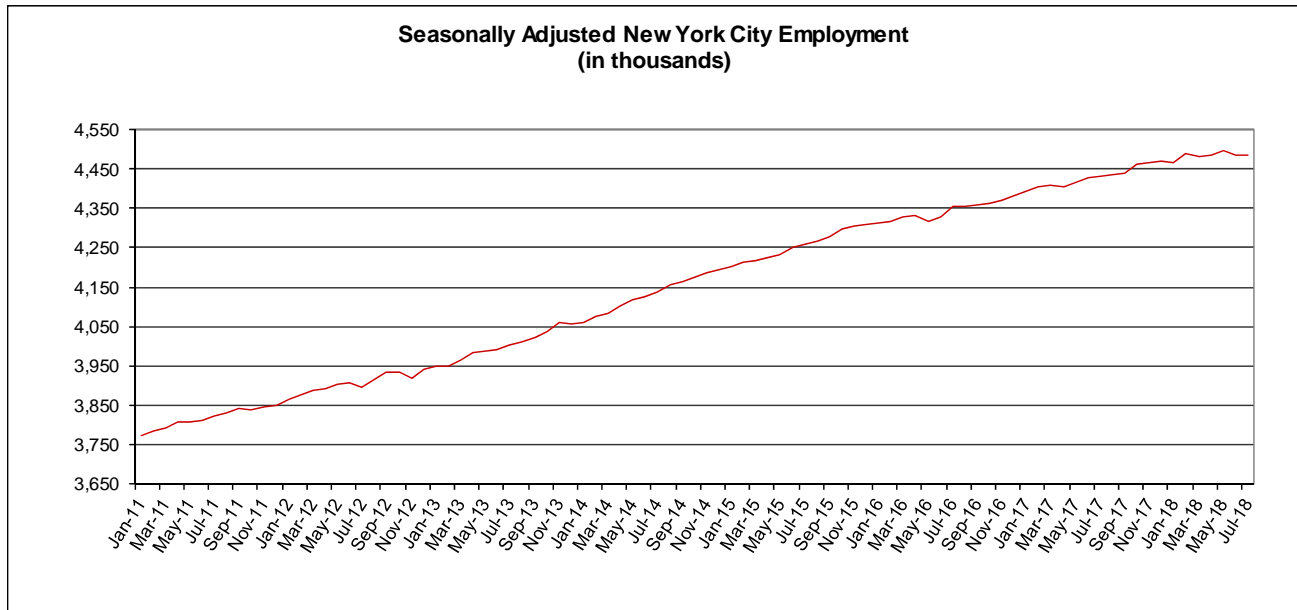
## Regional Economy Report



# BUDGETWATCH

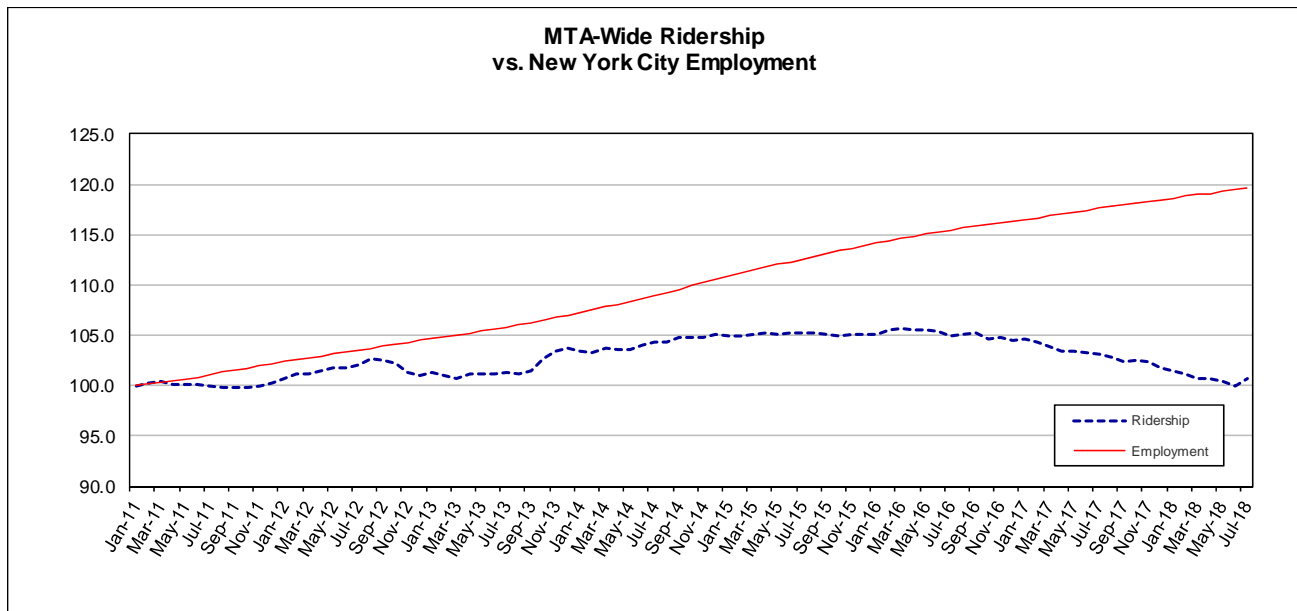
## Regional Economy Report

In July 2018, seasonally adjusted New York City employment of 4.49 million was higher than in July 2017 by 53,000 jobs (1.20%), but was lower than the prior month by 1,800 jobs (-1.81%).



### Ridership and Employment

In December 2008, the twelve-month moving average for employment began to decline after increasing in 56 of the previous 59 months. For sixteen consecutive months – though March 2010 – the twelve-month moving average fell, and employment levels declined by 3%. Since then, the twelve-month employment average has increased with almost no interruption. Considering the more recent period since January 2011, the twelve-month average for employment has increased by 19.4% through July 2018, while the 12-month average MTA-wide ridership has grown by 0.64%. The twelve-month average for ridership in July 2018 was 2.3% lower than one year earlier.





# BUDGETWATCH

## Regional Economy Report

### Consumer Price Index

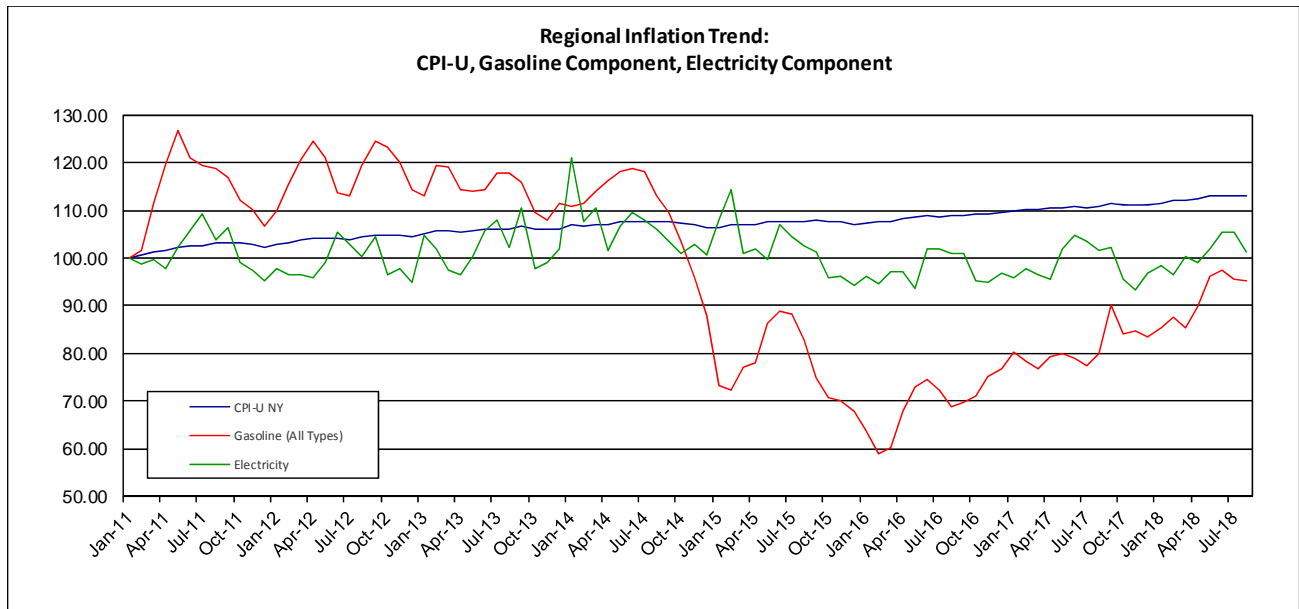
#### Goods Reporting Month-over-Month Price Increases

- Food
- Apparel

#### Goods Reporting Month-over-Month Price Declines

- Medical Care
- Transportation
- Gasoline
- Electricity

				Aug-18 versus			
	Aug-18	Jul-18	Aug-17	Jul-18		Aug-17	
				Net	Pct	Net	Pct
<b>Regional CPI-U</b>	<b>274.44</b>	<b>274.07</b>	<b>268.66</b>	0.37	0.1%	5.78	2.2%
Medical Care Component	484.88	484.92	476.32	(0.04)	0.0%	8.56	1.8%
Electricity Component	185.08	192.27	185.42	(7.18)	-3.7%	(0.34)	-0.2%
Gasoline (all grades) Component	236.02	237.11	198.24	(1.09)	-0.5%	37.78	19.1%
<b>National CPI-U</b>	<b>252.15</b>	<b>252.01</b>	<b>245.52</b>	0.14	0.1%	6.63	2.7%

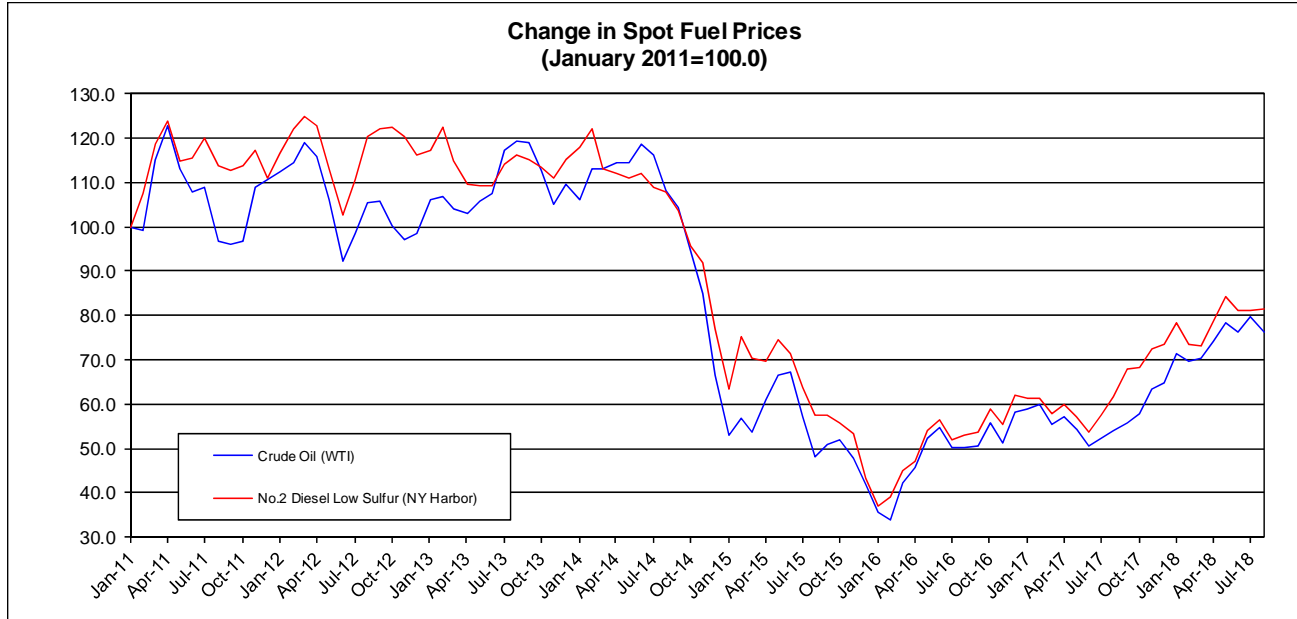


# BUDGETWATCH

## Regional Economy Report

### Fuel Prices

Fuel - Spot Prices <i>NY Harbor, except Crude Oil (WTI)</i>	Latest Price:			Aug-17	Aug-18 versus	
	9/11/18	Aug-18	Jul-18		Jul-18	Aug-17
Crude Oil (\$/bbl)	69.29	68.06	70.98	48.04	-4.1%	41.7%
Conventional Regular Gasoline (\$/gal)	2.09	2.08	2.07	1.69	0.1%	23.0%
Low Sulfur No.2 Diesel Fuel (\$/gal)	2.26	2.15	2.14	1.63	0.6%	32.0%
No.2 Heating Oil (\$/gal)	2.23	2.13	2.11	1.52	0.8%	39.9%



# BUDGETWATCH

## Regional Economy Report

Nassau, Suffolk Employment (in thousands)				Jul-18 versus			
	Prelim Jul-18	Revised Jun-18	Jul-17	Jun-18		Jul-17	
				Net	Percent	Net	Percent
<b>Total Employment</b>	<b>1,368.8</b>	<b>1,386.1</b>	<b>1,356.3</b>	<b>-17.3</b>	<b>-1.2%</b>	<b>12.5</b>	<b>0.9%</b>
<b>Goods Producing</b>	<b>160.6</b>	<b>159.6</b>	<b>155.7</b>	<b>1.0</b>	<b>0.6%</b>	<b>4.9</b>	<b>3.1%</b>
Construction, Mining, Nat Res	90.4	88.4	83.6	2.0	2.3%	6.8	8.1%
Manufacturing	70.2	71.2	72.1	-1.0	-1.4%	-1.9	-2.6%
<b>Service Providing</b>	<b>1,208.2</b>	<b>1,226.5</b>	<b>1,200.6</b>	<b>-18.3</b>	<b>-1.5%</b>	<b>7.6</b>	<b>0.6%</b>
Transportation, Utilities	42.1	46.1	39.3	-4.0	-8.7%	2.8	7.1%
Trade	235.0	236.1	235.6	-1.1	-0.5%	-0.6	-0.3%
Information	18.1	18.3	18.6	-0.2	-1.1%	-0.5	-2.7%
Financial Activities	70.9	71.0	73.6	-0.1	-0.1%	-2.7	-3.7%
Professional & Business Svcs	181.2	181.9	180.0	-0.7	-0.4%	1.2	0.7%
Education & Health Svcs	262.9	265.8	260.3	-2.9	-1.1%	2.6	1.0%
Leisure & Hospitality	148.6	144.4	144.0	4.2	2.9%	4.6	3.2%
Other Services	60.6	62.3	61.0	-1.7	-2.7%	-0.4	-0.7%
Government	188.8	200.6	188.2	-11.8	-5.9%	0.6	0.3%

Orange, Rockland, Westchester Employment (in thousands)				Jul-18 versus			
	Prelim Jul-18	Revised Jun-18	Jul-17	Jun-18		Jul-17	
				Net	Percent	Net	Percent
<b>Total Employment</b>	<b>737.4</b>	<b>739.0</b>	<b>728.3</b>	<b>-1.6</b>	<b>-0.2%</b>	<b>9.1</b>	<b>1.2%</b>
<b>Goods Producing</b>	<b>72.0</b>	<b>72.2</b>	<b>71.8</b>	<b>-0.2</b>	<b>-0.3%</b>	<b>0.2</b>	<b>0.3%</b>
Construction, Mining, Nat Res	43.5	43.5	42.7	0.0	0.0%	0.8	1.9%
Manufacturing	28.5	28.7	29.1	-0.2	-0.7%	-0.6	-2.1%
<b>Service Providing</b>	<b>665.4</b>	<b>666.8</b>	<b>656.5</b>	<b>-1.4</b>	<b>-0.2%</b>	<b>8.9</b>	<b>1.4%</b>
Transportation, Utilities	23.7	25.7	24.3	-2.0	-7.8%	-0.6	-2.5%
Trade	116.3	117.2	117.7	-0.9	-0.8%	-1.4	-1.2%
Information	11.7	11.7	12.1	0.0	0.0%	-0.4	-3.3%
Financial Activities	38.2	38.7	38.3	-0.5	-1.3%	-0.1	-0.3%
Professional & Business Svcs	98.5	97.5	95.0	1.0	1.0%	3.5	3.7%
Education & Health Svcs	153.3	155.6	149.0	-2.3	-1.5%	4.3	2.9%
Leisure & Hospitality	75.1	72.4	73.4	2.7	3.7%	1.7	2.3%
Other Services	32.7	32.4	32.0	0.3	0.9%	0.7	2.2%
Government	115.9	115.6	114.7	0.3	0.3%	1.2	1.0%

Dutchess, Putnam Employment (in thousands)				Jul-18 versus			
	Prelim Jul-18	Revised Jun-18	Jul-17	Jun-18		Jul-17	
				Net	Percent	Net	Percent
<b>Total Employment</b>	<b>149.7</b>	<b>150.8</b>	<b>148.3</b>	<b>-1.1</b>	<b>-0.7%</b>	<b>1.4</b>	<b>0.9%</b>
<b>Goods Producing</b>	<b>18.1</b>	<b>18.2</b>	<b>18.0</b>	<b>-0.1</b>	<b>-0.5%</b>	<b>0.1</b>	<b>0.6%</b>
Construction, Mining, Nat Res	8.6	8.7	8.4	-0.1	-1.1%	0.2	2.4%
Manufacturing	9.5	9.5	9.6	0.0	0.0%	-0.1	-1.0%
<b>Service Providing</b>	<b>131.6</b>	<b>132.6</b>	<b>130.3</b>	<b>-1.0</b>	<b>-0.8%</b>	<b>1.3</b>	<b>1.0%</b>
Transportation, Utilities	4.2	4.4	4.0	-0.2	-4.5%	0.2	5.0%
Trade	20.3	20.6	20.5	-0.3	-1.5%	-0.2	-1.0%
Information	1.9	1.9	1.9	0.0	0.0%	0.0	0.0%
Financial Activities	4.8	4.8	4.8	0.0	0.0%	0.0	0.0%
Professional & Business Svcs	12.5	12.4	12.9	0.1	0.8%	-0.4	-3.1%
Education & Health Svcs	38.1	38.5	36.4	-0.4	-1.0%	1.7	4.7%
Leisure & Hospitality	16.8	16.4	17.1	0.4	2.4%	-0.3	-1.8%
Other Services	7.3	7.2	7.1	0.1	1.4%	0.2	2.8%
Government	25.7	26.4	25.6	-0.7	-2.7%	0.1	0.4%

# BUDGETWATCH

## Regional Economy Report

